

Message Text

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PAGE 01 LONDON 03880 01 OF 02 081750Z
ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 CIAE-00 COME-00 EB-08 INR-07
LAB-04 NSAE-00 SIL-01 DODE-00 PM-04 H-01 L-03 NSC-05
PA-01 PRS-01 SP-02 SS-15 USIA-06 /084 W
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R 081731Z MAR 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC 1371
INFO AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY DUBLIN
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AMEMBASSY LUXEMBOURG
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LIMITED OFFICIAL USE SECTION 01 OF 02 LONDON 03880

E.O. 11652: N/A
TAGS: ELAB, PINT, UK
SUBJECT: CONSERVATIVES AND THE TRADE UNIONS: "SISTER
MARGARET AND BROTHER ALF"

REF: LONDON 17740, NOVEMBER 76

SUMMARY. THE ANNUAL CONSERVATIVE TRADE UNION CONFERENCE
IN NOTTINGHAM ON MARCH 5 DEMONSTRATED AGAIN THE PARTY'S
DUAL APPROACH TO THE TRADE UNIONS: WHILE TRYING TO RE-
ASSURE THE TUC THAT IT DOES NOT SEEK CONFRONTATION WHEN
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PAGE 02 LONDON 03880 01 OF 02 081750Z

IT RETURNS TO POWER, IT IS ALSO ENCOURAGING WORKERS WHO
VOTE CONSERVATIVE OR WHO SUPPORT CONSERVATIVE POLICIES TO
TAKE A MORE ACTIVE ROLE IN TRADE UNIONS. PARTY LEADERS
MADE IT CLEAR THAT UNDER A CONSERVATIVE GOVERNMENT THERE
WOULD BE NO SOCIAL CONTRACT WITH THE UNIONS. SPEAKERS,
INCLUDING THE CONFERENCE'S STELLAR ATTRACTION, MARGARET
THATCHER, EXUDED A SPIRIT OF BUOYANCY ABOUT THE PARTY'S

PROSPECTS AND ABOUT THE GROWTH OF PARTICIPATION BY CONSERVATIVES IN TRADE UNIONS. RESOLUTIONS APPROVED BY THE CONFERENCE WERE GENERALLY IN TUNE WITH CONSERVATIVE THINKING, BUT ONE OF THEM -- CALLING FOR A "FREE MARKET" WAGE POLICY -- WAS MORE FORTHRIGHT THAN THE POSITION OF THE PARTY LEADERSHIP. END SUMMARY.

1. IN A HALL COMPLETELY DOMINATED BY LARGE PLACARDS QUOTING FROM VARIOUS OF HER SPEECHES, MRS. THATCHER SPOKE IN CONFIDENT TONES AND WAS IN VERY GOOD FORM. SHE MADE IT CLEAR THAT THE NEXT CONSERVATIVE GOVERNMENT "WILL LISTEN TO THE TUC". TOGETHER WITH OTHER REPRESENTATIVE BODIES, BUT THE "PARLIAMENT MUST REMAIN SUPREME AND THE GENERAL ELECTION SUPREME OVER ALL OTHER BALLOTS". SHE REJECTED THE IDEA OF A SOCIAL CONTRACT WITH THE TRADE UNIONS (A SUGGESTION MADE BY PETER WALKER, A HEATHITE CONSERVATIVE, IN A WEEKEND SPEECH ELSEWHERE), NOTING THAT "NO GOVERNMENT SHOULD BIND ITSELF BY AGREEMENT WITH A MINORITY SECTIONAL INTEREST SO AS TO LOSE ITS FREEDOM OF ACTION". MRS. THATCHER WAS IN FINE FETTER WHEN, TO ROUSING CHEERS, SHE CHARACTERIZED THE LABOR GOVERNMENT AS "SLOWLY DYING, AFTER HAVING COME TO POWER ON A LOAD OF PROMISES" AND SHE PAINTED A DREARY PICTURE OF A COUNTRY UNDER LABOR WITH HIGH UNEMPLOYMENT, A POOR "SOCIAL WAGE" IN TERMS OF DECLINE IN EDUCATION, HEALTH STANDARDS AND OTHER SERVICES' LOW STANDARDS IN PUBLIC LIFE, AND FORCED TO BEG FOR HELP FROM ABROAD.

2. IN RESPONDING TO QUESTIONS (AT ONE POINT SHE LIMITED OFFICIAL USE

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PAGE 03 LONDON 03880 01 OF 02 081750Z

ANSWERED A QUESTIONER WHO IDENTIFIED HIMSELF AS "BROTHER ALF", WITH A SELF-LABELLED "SISTER MARGARET"), MRS. THATCHER SAID THAT TRADE UNIONS SHOULD CARRY OUT THEIR TRADITIONAL ROLE OF SERVING THEIR MEMBERS AND NOT AFFILIATE AS TRADE UNIONS WITH THE PARTIES, INCLUDING THE CONSERVATIVES. SHE ALSO TOLD HER AUDITORS THAT THE CONSERVATIVES WOULD NOT SIMPLY REPEAL LABOR LEGISLATION BUT WOULD TRY TO PROTECT THOSE WHO MIGHT BE VICTIMIZED IN PARTICULAR AS A RESULT OF LAWS LIKE THE CLOSED SHOP BAN AND THE EMPLOYMENT PROTECTION ACT. SHE SYMPATHIZED WITH THE POLICEMEN WHO HAVE BEEN IN DISPUTE WITH THE LABOR GOVERNMENT OVER PAY, BUT WAS CAREFUL TO ADD THAT THE CONSERVATIVES WERE OPPOSED TO ANY BREAK IN STAGE 2 OF THE PAY RESTRAINT POLICY. SHE ATTACKED THE BULLOCK REPORT'S APPROACH TO WORKER PARTICIPATION, SINCE ITS RECOMMENDATIONS DID NOT INVOLVE ALL EMPLOYEES, WOULD DEMORALIZE ALL LEVELS OF MANAGEMENT, AND WOULD GIVE AN "UNJUSTIFIED INCREASE IN POWER TO THE TRADE UNIONS".

3. OTHER CONSERVATIVE LEADERS ECHOED MRS. THATCHER'S
ATTACK ON THE LABOR GOVERNMENT. LORD THORNEYCROFT, AS
DID MANY OTHER SPEAKERS, SINGLED OUT JACK JONES. THE
TUC'S "MR. BIG". FOR SPECIAL CRITICISM. HE SAID THAT
JONES SOUGHT TO "FREEZE WAGES. PRICES. PERHAPS PRODUCTION
AND TO PUT THIS COUNTRY INTO A DEEP FREEZE". JAMES

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PAGE 01 LONDON 03880 02 OF 02 081751Z
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LIMITED OFFICIAL USE SECTION 02 OF 02 LONDON 03880

PRIOR, SHADOW SECRETARY OF STATE FOR EMPLOYMENT (ANTICI-
PATING HIS PARTY'S RETURN TO POWER)SAID: "WE EXPECT
UNIONS TO HONOR THE DECISION REACHED BY THE NATION IN THE
BALLOT BOX AND TO COOPERATE WITH THE DULY ELECTED
GOVERNMENT." HE SAID THE BRITISH PEOPLE DID NOT WANT TO
SEE THE GOVERNMENT "IN UNNECESSARY CONFLICT WITH THE

UNIONS OR ANY SECTION OF SOCIETY, BUT WE WILL NOT HAND
OVER POWER AND RESPONSIBILITY TO THE TUC' AS THE PRESENT
GOVERNMENT HAS DONE."
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PAGE 02 LONDON 03880 02 OF 02 081751Z

4. WHILE MOST OF THE LEADING SPEAKERS ACKNOWLEDGED THAT
WORKERS WERE RIGHT TO COMPLAIN OF EROSION OF WAGE
DIFFERENTIALS AND THE BURDEN OF TAXES, NEITHER MRS.
THATCHER NOR MR. PRIOR WOULD GO SO FAR AS TO SUPPORT FREE
COLLECTIVE BARGAINING POLICY AT THIS STAGE. LATER IN THE
DAY, THE DELEGATES' HOWEVER' OVERWHELMINGLY APPROVED A
RESOLUTION WHICH URGED THE NEXT CONSERVATIVE GOVERNMENT
TO RETURN TO A "FREE MARKET" IN WAGES.

5. MANY SPEAKERS ATTACKED THE BULLOCK REPORT. ONE
CALLED IT A PRODUCT OF THE "GOSPEL OF ENVY CARRYING
CONFRONTATION TO THE BOARDROOM AND AN ABSOLUTE DISASTER
FOR GREAT BRITAIN, WHICH WOULD FURTHER UNDERMINE MANAGE-
MENT AND WAS CLASS RIDDEN AND DIVISIVE". THE DELEGATES
OVERWHELMINGLY APPROVED A RESOLUTION SUPPORTING THE
CONSERVATIVE PARTY APPROACH TO WORKERS' PARTICIPATION,
SPECIFICALLY ENDORSING THE "CONCEPT THAT EFFECTIVE
PARTICIPATION BEGINS ON THE SHOP FLOOR IN THE WORKPLACE
AND NOT IN THE BOARDROOM", AND URGING A "CODE OF PRACTICE
WITHIN A FLEXIBLE BASIC FRAMEWORK RATHER THAN THROUGH
RIGID LEGISLATION". ANOTHER RESOLUTION CALLED ON THE
PARTY TO PROMOTE POSITIVE POLICIES TO ENSURE THE SPEEDY
RETURN OF PRODUCTIVE FULL EMPLOYMENT.

6. A FINAL RESOLUTION OPPOSED THE LABOR GOVERNMENT'S
LEGISLATION WHICH LEGALIZED THE CLOSED SHOP(READ UNION
SHOP IN AMERICAN PRACTICE). IT STATED "THAT A MAN'S
OR WOMAN'S RIGHT TO WORK SHOULD NOT DEPEND UPON JOINING
THE TRADE UNION AGAINST THEIR WILL". IT WAS PASSED, BUT
WITH CLOSE TO HALF OF THE DELEGATES OPPOSED -- IN CON-
TRAST TO THE OTHER RESOLUTIONS WHICH WERE CARRIED OVER-
WHELMINGLY. IN FACT, ONE TRADE UNION WOMAN MEMBER
RECEIVED CONSIDERABLE APPLAUSE WHEN SHE DECLARED THAT
"CONSERVATIVES SHOULD ACKNOWLEDGE THAT MOST UNIONS ARE
MODERATE AND SHOULD PERSUADE EMPLOYERS TO RECOGNIZE
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PAGE 03 LONDON 03880 02 OF 02 081751Z

MODERATES".

7. WHILE DELEGATES WERE DIVIDED ABOUT WHETHER THEY WERE

FOR OR AGAINST THE CLOSED SHOP, THEY WERE CLEARLY OPPOSED TO FURTHER PAY RESTRAINT. THUS MAKING COMMON CAUSE ON THE LATTER ISSUE WITH A WIDE VARIETY OF STALWART TUC MILITANTS. THEY LEFT LITTLE DOUBT. HOWEVER, THAT THEY WERE GENERALLY CONSERVATIVE WITH BOTH A SMALL AND A BIG "C". IN SPEECHES FROM THE PODIUM OR FROM THE FLOOR. THEY FREQUENTLY REFERRED TO THE OLDER VIRTUES BY PRAISING THE WORK ETHIC, SKILL AND ENTERPRISE, PRODUCTIVITY AND RESPONSIBILITY. THEY OPPOSED NATIONALIZATION AND SOCIALIZATION AND WERE HIGHLY CRITICAL OF A GOVERNMENT WHICH "SPENT BEYOND ITS MEANS". THEY INTER-LARDED THEIR SPEECHES WITH JIBES AT JONES, WHO PERSONIFIED THE TUC ESTABLISHMENT.

8. THE GENERAL AIR OF THE CONFERENCE WAS DECIDEDLY BULLISH. SPEAKER AFTER SPEAKER SPOKE AS THOUGH A CONSERVATIVE GOVERNMENT WAS JUST AROUND THE CORNER. THEY WERE ALSO PLEASED -- AND JUSTIFIABLY SO -- BY THE PARTICIPATION AT THE CONFERENCE. JAMES PRIOR NOTED: "FOUR YEARS AGO, WE THOUGHT WE WERE DOING WELL WITH 100, NOW WE ARE BEGINNING TO TALK OF 1,000 (THE SECRETARIAT ESTIMATED THAT 850 PARTICIPANTS ATTENDED THE CONFERENCE IN CONTRAST TO ABOUT 400 LAST YEAR), AND NEXT YEAR WE HOPE IT WILL BE MANY THOUSANDS". MANY SPEAKERS ALLUDED TO THE FACT THAT ABOUT 30 PERCENT OF TRADE UNIONISTS TEND TO VOTE CONSERVATIVE AND EXPRESSED THE IMPORTANCE OF CASHING IN ON THIS IMPORTANT BLOC. AS "SISTER MARGARET" SAID: "LET'S KEEP IN TOUCH."

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Message Attributes

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